



**Senator the Hon Stephen Conroy  
Minister for Broadband, Communications and the  
Digital Economy**

**Deputy Leader of the Government  
in the Senate**

**Regional Broadband Forum, Tamworth**

**Tamworth Community Centre  
Monday, 21 September 2009**

15-20 mins

Thank you and good afternoon everyone.

It is an absolute pleasure to be in Tamworth.

Equally I am very pleased to be here with Tony Windsor, a local member who understands so well the importance of communications for his community and the nation.

Thank you Tony for the invitation to be here and thank you for your strong support of the historic projects the Rudd Government is undertaking to establish our digital future.

The Government has made it a priority to improve the availability, affordability and quality of communications services, including in rural and regional Australia.

We have made a strong commitment to improve broadband access and pricing, encourage investment and developing new services across the nation.

Broadband will transform our regions.

It will assist the development of economies by opening up new employment and trading opportunities.

It will provide social benefits such as improved access to healthcare and education.

It will strengthen communities by providing new and enhanced communications.

You will all be aware by now of the ambitious plans the Rudd Government has announced for the National Broadband Network.

This project is of historic significance for the telecommunication sector and for our nation.

The NBN, as we call it, will be the single largest nation-building infrastructure project in Australian history.

It will be Australia's first truly national wholesale-only communications network.

It will drive employment and business activity in the short-term, helping stimulate the economy.

In fact, the National Broadband Network alone will create 25,000 jobs annually for the period of its eight year rollout, peaking at 37,000.

This means new business for regional construction and contracting firms.

It means jobs for the people:

- digging the ditches,
- running the fibres,
- planning and engineering,
- connecting homes and businesses,
- supplying network hardware, and
- other associated activities.

The NBN will also form the platform for our future economy, ensuring we are best placed to capitalise in the years ahead.

Australian Local Government Association research highlights just how great the broadband opportunity is for regional Australia.

Indeed, it estimates \$3.2 billion and 33,000 jobs are lost to regional areas every year due to inadequate broadband infrastructure.

The Government is moving boldly to ensure Australia has the infrastructure it needs to grow and prosper into the 21<sup>st</sup> century.

The NBN includes investing with the private sector to build a high-speed Fibre-to-the-Premises broadband network connecting 90 per cent of homes and businesses.

This of course includes our regional centres, cities and towns across the country – including Tamworth.

In addition, for the 10 per cent of homes and businesses not reached by fibre, we are deploying next-generation wireless and satellite to ensure enhanced broadband for all Australians.

This includes the potential launch of new satellite technology to specifically meet our needs and achieve 100 per cent coverage of Australian homes, workplaces and schools.

These will be enhanced, next-generation services with upgrade paths offering services over and above the 12 megabits per second benchmark.

Experts agree that wireless and satellite will always be an important complement to fibre and that this will be especially the case for places such as regional Australia.

As I said, the National Broadband Network will reach 100 per cent of Australian homes, workplaces and schools.

It exceeds our election commitment and establishes Australia's broadband sector for the future.

It should be understood that this investment will be made in the national interest, for all Australians no matter where they choose to live or work.

As I have said, the fibre optic component of the National Broadband Network will reach 90 per cent of Australian homes and businesses.

As a guide, this means that every town with a population of over about 1,000 will be connected by fibre.

However, this does not mean that towns with under 1,000 people will automatically miss out – as has been claimed.

Locations with less than 1,000 people may well be connected by fibre if their proximity to relevant infrastructure is favourable.

If small communities are well positioned in relation to backbone fibre links and other facilities, then it is very possible that they will be served by fibre.

Already, in Tasmania, where work is already underway to connect the first three towns to the National Broadband Network, indications are that towns with well under 1,000 people will receive fibre connections.

In fact, Tasmanian Premier David Bartlett believes the rollout could reach towns with as few as 50 people.

This is because their proximity to infrastructure make this economically possible.

National fibre coverage will be considered by detailed commercial and engineering studies as part of network implementation planning, now underway.

Broadband has the potential to revitalise Australia's regional, rural and remote communities.

It means new opportunities for business, for education, for health and aged care, for infrastructure management and for energy conservation.

More and more of our everyday activities are now conducted via connected digital technologies and this will be increasingly the case in the future.

The Government is serious about regional broadband and is investing as a priority to ensure people in regional Australia enjoy the benefits on offer.

This includes a \$60 million investment in regional broadband development projects in education, health and emergency services.

Australia has a wealth of innovators who understand the transformative potential of digital technologies and I look

forward to seeing the proposals put forward to this exciting program.

The Digital Regions Initiative will ensure Australians living outside our major metropolitan centres benefit directly from improved access to vital public services via the NBN.

Projects are expected to commence in early 2010.

Digital Regions forms part of the Government's initial response to the Regional Telecommunications Review announced earlier this year.

The review, led by Dr Bill Glasson was an important examination of Australia's regional telecommunications landscape and offered a number of recommendations to improve services and service availability.

In addition to Digital Regions, the Government announced new funding of \$11.4 million to increase and extend the subsidies available under the Satellite Phone Subsidy Scheme.

The Glasson Review identified mobile communications as critical for the health, safety and economic participation of

regional Australia, and improvements to the Satellite Phone Subsidy will help address that need.

The Satellite Subsidy is now more accessible for regional health and emergency service organisations and for people living, working and travelling outside of handheld terrestrial mobile coverage.

Improvements announced just last month:

- extended eligibility for people outside handheld mobile coverage,
- reduced red-tape making it easier for health and emergency services to apply.
- additional handset subsidies for health and emergency service organisations – up from a previous limit of two, and
- a boost in subsidy to 85% of the handset cost, up from the previous 60%.

Also in response to the Glasson Review, the Government is making an additional \$3.7 million contribution to a \$30 million refocused Indigenous Communications Program.

This program will improve essential telecommunications services, basic public internet access facilities and

computer training for remote Indigenous communities in partnership with states and territories.

These are important investments that have been directly informed by the review undertaken by Dr Glasson and his committee.

It should be recognised that the Government will respond to other recommendations related to the NBN as we progress this important nation-building project.

Additionally in regional Australia, related to the National Broadband Network, we are moving quickly to stimulate competition in the short-term by investing in backbone blackspots.

Tenders closed recently for the rollout of links connecting the first six locations announced under this \$250 million project.

Initial works will target:

- Emerald and Longreach in Queensland;
- Geraldton in Western Australia;
- Darwin in the Northern Territory;
- Broken Hill in New South Wales;

- Victor Harbor in South Australia, and
- South-West Gippsland in Victoria.

However, it is important to note that these regional locations are just the first to be announced under the blackspots program and more may follow.

At the Budget this year, we also announced a \$5 million investment for Rural National Broadband Network Coordinators.

These coordinators will work to stimulate local government, community and business broadband adoption.

These actions are intended to encourage take-up, which in turn has an impact on the market and the affordability of services.

We are also providing for an investment of \$15.3 million in Regional Broadband Hubs to be coordinated and operated by the ABC.

It is envisaged that these hubs will attract content generated by people within local communities, like

Tamworth, and create online opportunities for people to connect and collaborate.

The ABC will establish community web sites and portals, and create 'virtual town squares' for communities to share experiences.

More than 50 of these hubs to be rolled out over the next three years, employing local producers to create cross-media stories and to train audiences to generate their own content.

The hubs will help build awareness of local issues, and stimulate and facilitate community participation.

They will complement the rollout of the National Broadband Network and build on the valued position the ABC holds in local communities.

Incidentally, it was my pleasure just this afternoon to visit the ABC in Tamworth for the launch of another great service for New England.

Today we launched ABC News Radio in Tamworth, broadcasting at FM 91.7.

This is the 50<sup>th</sup> launch in a program to extend News Radio across Australia and I am sure it will become a valued part of the media landscape here in the New England.

ABC News Radio is broadcast 24 hours a day, seven days a week, providing breaking news, sport, finance and weather... and live coverage of Federal Parliament.

On that note, you may be aware it has been a very busy time in Canberra for the communications portfolio.

Last Tuesday, we announced a major legislative package designed to create competitive benefits and better services for consumers and businesses across the country.

As I have mentioned, the rollout of the NBN will fundamentally change the competitive dynamics of telecommunications service delivery.

However, we have always recognised that we need to improve the quality, range and affordability of services during the transition period.

We recognise that people need high quality, affordable services now.

That is what the historic reforms we announced last week are all about.

They will lead to substantial benefits for people in rural and regional Australia as we transition to the full rollout of the NBN.

There are three key elements of our reform package.

The first element of the reform package addresses Telstra's high level of integration across the copper, cable and mobile platforms.

One of the major obstacles to service delivery in rural and regional Australia, and the lack of choice for people to take their business elsewhere if they are unhappy.

Opening up the market to more effective competition offers the opportunity for other companies to enter these markets and compete hard with Telstra.

This competitive stimulus will lead to more choice and more affordable prices for people in regional Australia.

The second element of the reform package adjusts the Trade Practices Act to empower the independent regulator – the ACCC – to deal with anti-competitive practices.

The changes will give competitors greater confidence and certainty to enter regional markets and provide new services.

The third element of the package strengthens consumer safeguards.

These measures are critical to ensuring we retain high quality services in rural and regional Australia for our consumers, small businesses, schools and hospitals.

These reforms include more stringent standards for the delivery of high quality voice services under Telstra's Universal Service Obligation.

This includes legislated timeframes for connection and fault repairs and a penalty of up to \$10 million if Telstra fails to meet requirements.

There are also stronger penalties for telcos if they fail to meet their legislated service performance standards.

In addition, on the issue of payphones, the Minister has been provided stronger power to set rules for payphone removal and for the regulator to prevent payphones being taken away.

All of these actions will have a direct impact on the standard of communications service in regional Australia.

They are reforms long overdue and represent an historic and fundamental improvement for the communications sector.

It is further evidence of the strong commitment the Rudd Government has made to ensure all Australians have access to enhanced communications services, including broadband to enable growth in our future economy.

Australia's regional, rural and remote communities deserve better communications systems and greater participation in the digital economy.

To that end, the National Broadband Network and the reforms just announced are a great outcome for regional Australia.

In the interim, it is worth noting the options available for people currently unable to access broadband services.

You may be aware that the Government continues to fund the Australian Broadband Guarantee following a \$270 million four-year investment announced last year.

The ABG is an important safety-net for regional Australia will be of continued importance as we work to deliver long-term sector reform.

Under the program, approved providers can receive individual payments to ensure eligible customers have access to a metro-comparable broadband service.

I encourage anyone in regional Australia who is unhappy with the provision of broadband to find out more about the ABG.

More information is online via my department's web site ([www.dbcde.gov.au](http://www.dbcde.gov.au)) or by phone on freecall: 1800 883 488.

There is no doubt that people in regional, rural and remote areas deserve better communications systems and greater participation in the digital economy.

At a national level we have some of the most expensive and slowest broadband in the world.

This is not good enough and the Rudd Government has committed strongly to ensure Australia keeps pace with our international neighbours and takes the lead in the emerging digital economy.

We want local businesses collaborating and trading with partners in distant locations.

We want all Australians to have the very best access to emerging broadband health care and online specialists.

We want our children to enjoy the world of educational opportunity available online.

We want Australia to be a technical leader and for towns like Tamworth to become hubs for innovation and new business opportunities.

The National Broadband Network is a bold nation-building project.

In fact it is the largest infrastructure project undertaken in Australia's history.

It will ensure that all Australians, no matter where they choose to live or work, will have the best opportunity to participate in the digital economy.

Thank you very much for the opportunity to be here with you today in Tamworth.

Thank you Tony for the invitation, it has been a pleasure speaking to you today about this exciting communications future.

Thank you.

Unless otherwise indicated in this document, it is Copyright of the Commonwealth of Australia and the following applies:

Copyright Commonwealth of Australia. This material has been reproduced by permission but does not purport to be the official or authorised version.

**You should make independent inquiries and obtain appropriate advice before relying on the information in any important matter.**

This document has been distributed by Capital Monitor. All queries regarding the content should be directed to the author of this document.

Capital Monitor is a division of LexisNexis Australia, and can be contacted on 02 6273 4899.